

MINUTES
LCWSD BOARD OF DIRECTORS MEETING
FEBRUARY 20, 2018

PRESENT: Directors Marc Liechti, Jack Thomson, Jim Heim, and Howard Cicon, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

ABSENT: Roxanne Wadman

Director Liechti called the meeting to order at 2:00 p.m.

AGENDA: Agenda was amended to add "Pisk Latecomer Agreement" under Miscellaneous. A motion was made by Director Heim to accept the agenda as amended. Director Cicon seconded and motion carried.

APPROVAL OF MINUTES: The Minutes of the December 19, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Cicon seconded and motion carried.

VISITORS: Nicole Noonan, Auditor

Nicole Noonan presented the 2017 Audit Report and stated LCWSD remains in strong financial position. She identified eight areas for improvement involving internal control and operation. She also identified one significant deficiency involving LCWSD's knowledge of generally accepted accounting principles resulting from LCWSD not having an on-staff accountant. This deficiency is remedied by contracting with Nicole Noonan, CPA.

FINANCIAL REPORT

BALANCE SHEET	
General Checking Account Balance	\$50,180.88
Water Savings Account	\$333,573.15
Sewer Savings Account	\$446,396.98
Total Current Assets	\$2,227,666.83
Total Assets	\$11,229,517.11
Checks Payable	\$379.50
Total Current Liabilities	\$451,315.88
Total Liabilities & Equity	\$11,229,517.11

INCOME STATEMENT SUMMARIZED		
WATER	Current YTD	Percent of Budget
Total Revenue	\$167,289.29	65%
Total Expenses	\$235,139.23	56%
Net Income	\$98,08130	
SEWER		
Total Revenue	\$283,394.11	58%
Total Expenses	\$353,897.68	56%
Net Income	\$15,976.96	

INCOME STATEMENT COMPARISON TO PRIOR YEAR		
	Year to Date	Prior Year to Date
Total Revenue	\$450,692.40	\$444,847.44
Total Expenses	\$589,036.91	\$570,103.78
Total Other Revenue	\$252,402.77	\$38,144.00
Net Income	\$114,058.26	\$56,004.96

CASH REPORT	
Water Fund Checking	\$25,865.20
Sewer Fund Checking	\$23,171.51
Water Savings	\$333,573.15
Sewer Savings	\$446,396.98
Sewer CD	\$34,672.67
Sewer CD	\$211,720.75
Sewer CD	\$217,314.34
Sewer CD	\$186,084.64
Petty Cash	\$200.00

A motion was made by Director Heim to approve the financial report. Director Cicon seconded and motion carried.

BILL APPROVAL: Accounts payable for January were reviewed. Expenses of note included:

- Mission Communications – Service package renewal
- Ferguson Waterworks – Supplies for LS 6&7
- Daily Interlake – South Eighty Invitation to Bid for well house
- Anytime Lock & Key – Office door refurbishment
- APEC – South Eighty and Lakeside Water (booster pump) engineering
- Metron – Lakeside Estates meter
- Tire Rama – Brakes for plow truck
- Department of Environmental Quality – Annual connection fee assessment
- GC Systems – PRV parts

The Capital One credit card statements for December and January were also reviewed.

A motion was made by Director Cicon to approve the bills. Director Heim seconded and motion carried.

DELINQUENT REPORT: Progress continues in collecting payment from delinquent accounts.

OLD BUSINESS:

South Eighty Water System – LHC won the bid for the new well house. Their anticipated start date is March 13, 2018 with completion by mid-May, weather cooperating. A letter, schedule, and map were mailed to homeowners on February 20, 2018 to keep them informed of progress.

LS 6 & 7 – When weather breaks the water main replacement will be completed and asphalt laid.

Lakeside/Troutbeck Water Connection – DEQ returned our submittal with more questions. We will address and resubmit.

Cherry View Water Rights – DNRC returned our final submittal with a few minor questions. These were addressed and resubmitted to DNRC for approval.

Project Update

None

Outside District

None

NEW BUSINESS:

TB/SW/LE Rate Increase – a motion was made by Director Heim to approve Ordinance 18-1 amending the water base rate from \$14.59 to \$15.32 per month for the Troutbeck/Lakeside Estates/Spurwing Subdivision Water System. Director Cicon seconded, and motion carried.

MISCELLANEOUS

Pisk Development Latecomer Agreement – an agreement between Pisk Development LLC and LCWSD regarding the Spurwing Development was approved/signed by the LCWSD Board President.

Surplus Property Resolution – every three years a new resolution authorizing agents to purchase surplus items must be signed by the Board and submitted to the State. A motion was made by Director Cicon to accept this resolution. Director Heim seconded and motion carried.

Emergency Procedures – the Emergency Procedures manual was updated and distributed to all Board members.

Staff – Scott Ring will be taking his Sewer Certification Exam at the Montana Rural Water Convention on February 21 and 22, 2018.

Rodney Olson was named “Manager of Year” by the Montana Rural Water Association. He will be attending the conference on February 22 to accept the award.

The meeting adjourned at 4:00 p.m.

Respectfully submitted,

Beth Dotson, Secretary

(NEXT MEETING DATE IS TUESDAY, MARCH 20, 2018)